

**ORDINANCE NO.**

**AN ORDINANCE APPROVING A PIPELINE INTEGRITY TESTING SURCHARGE IN ACCORDANCE WITH A FILING OF TEXAS GAS SERVICE; DETERMINING THE PROPRIETY OF THE PIPELINE INTEGRITY TESTING SURCHARGE.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

**PART 1.** The Council finds:

- (A) The City Council is the regulatory body with exclusive original jurisdiction over the rates, operations, and services of Texas Gas Service Company (TGS), a division of ONE Gas, Inc., within the municipality.
- (B) The City adopted Ordinance No. 20161103-077 approving TGS’s current rates and tariffs upon a finding that the rates and tariffs were reasonable and in the public interest.
- (C) The rates and tariffs approved and adopted in Ordinance No. 20161103-077 include a Pipeline Integrity Testing (PIT) Rider that allows TGS to impose a surcharge on customers’ monthly bills to recover the costs of legally-mandated pipeline safety testing.
- (D) On February 21, 2019, TGS filed its initial notice of the PIT Rider proposing a surcharge to recover a total of \$758,590 in authorized expenses for the twelve-month period, April 2019 to March 2020.
- (E) The PIT Rider requires that the initial notice of the PIT Surcharge be filed with, reviewed, and approved by the City Council.
- (F) City staff reviewed and approved TGS’s PIT Surcharge Rider on March 21, 2019.

**PART 2.** Under §104.105 of the Texas Utilities Code, as the regulatory body with exclusive original jurisdiction over TGS’s rates within the municipality, the City must enter on a hearing to determine the propriety of the surcharge.

